

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 352 - SB 291**

March 15, 2017

**SUMMARY OF BILL:** Requires one-third of the revenue generated from any gasoline tax rate increase, on or after July 1, 2017, to be distributed to the Highway Fund and used solely for financing public transportation.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Due to multiple unknown factors, such as the timing and magnitude of any gasoline tax rate increase in the future, the amount of revenue generated from such increase, and specific allocation requirements that would be applicable to such revenue under current law, a precise fiscal impact on state or local revenue and the fiscal impact on any specific funds cannot be determined with reasonable certainty.**

Assumptions:

- Previous gasoline tax increases have generally been accompanied with special distribution provisions that allocated revenue generated from such increases to various state and local funds.
- The fiscal impact of the proposed legislation is dependent on the magnitude of any future gasoline tax rate increase, the timing of such increase, the taxable base to which the increased rate will be imposed upon, and specific allocation requirements that would be applicable to revenue generated from any such tax rate increase.
- As a result, the impact on state and local revenue, or any specific fund, of the proposed requirement that one-third of the revenue generated from any gasoline tax rate increase, on or after July 1, 2017, be distributed to the Highway Fund and used solely for financing public transportation cannot be determined with reasonable certainty.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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